

Subsidiary of
Kaiser Steel

Myers Drum Company

6549 San Pablo Avenue
Oakland, California 94608
415 652-6847

Dear Gentlemen:

This letter is to provide your company with information pertaining to Myers Drum Company handling, hauling and storing empty drums that have contained hazardous waste.

MYERS DRUM COMPANY

Tighthead Reconditioning Line - OAKLAND - CAD009123217

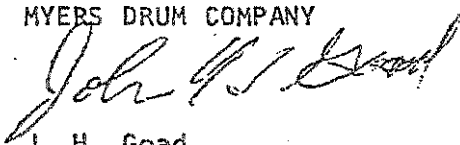
Openhead Reconditioning Line - EMERYVILLE - CAT000624957

Hazardous Waste Haulers License #505

Please advise if additional information is required.

Sincerely,

MYERS DRUM COMPANY



J. H. Goad
Drum Buyer

JHG/dc

CALIFORNIA DRUM RECONDITIONER'S TASK FORCE

1983 Roster

Apex Drum Co.
Cooper Drum Co.
Dave Cooper Drum Co.
Ditty Drum Co.
Lorentz Barrel & Drum Co.
Myers Drum Co.
Pacific Coast Drum Co.
S. Rose Cooperage Co.
Southern California Drum Co.
Trans Harbor, Inc.
Waymire Drum Co.

October 1983

Dear Customer:

The California Drum Reconditioning Industry is facing a crisis of the highest magnitude. One that may, ultimately, force many reconditioners to permanently close their doors and/or invest huge sums of money which cannot be justified by a return on investment. In either event, your business will be affected and you will possibly be faced with changes that no doubt will affect your costs and the way you do business.

What, you may ask, will be the cause of such drastic change? The California Department of Health Services (DOHS) recently issued an interpretive memorandum, implementation of which, if carried out, would require all California Drum Reconditioners to be in the category of a TSD facility, i.e., a hazardous material waste treatment, storage and disposal facility.

This has occurred because the DOHS of the State of California does not describe a drum reconditioning facility as does the Federal Environmental Protection Agency (EPA). The EPA does not describe a drum reconditioner's facility as a TSD facility unless it has a permit to treat, incinerate, store and dispose of hazardous waste. No drum reconditioner in the State of California has sought to be licensed as a TSD facility. California has never accepted the EPA guidelines, nor has it accepted the EPA interpretation of an empty drum, which states that a drum is considered to be empty when it contains one inch or less of the previous contents. However, until the issuance of its interpretation, the DOHS has never enforced its provisions with regard to an empty drum and the TSD requirements for a reconditioning business. To the State of California, any drum that contains even the slightest residue of a hazardous material is considered to be hazardous and subject to existing regulations.

The California Drum Reconditioning Industry sought to amend the earlier legislation through the legislative process, requesting that the State of California adopt the EPA definition and federal interpretation as to an "empty" drum and also exempt reconditioners from the hazardous waste facility permit requirements. Senate Bill # 660, which was passed by the State Senate 27 - 3 and the State Assembly 63 - 6, would have supported this more reasonable approach to the reconditioner's plight. Unfortunately, Governor Deukmejian elected not to sign the bill into law. As one state official recently said, "We are going back to square one. Alternative legislation, new regulations and/or enforcement of existing regulations are currently under study."

In the meantime, we, in the Drum Reconditioning Industry must continue to operate and carry on our businesses. The purpose of this letter is to keep you informed as well as restate our policy once again with regard to the pick up and acceptance of your empty containers for reconditioning.

1. Task Force members will not accept for reconditioning or purchase any empty containers that contain more than one inch of the previous contents in the bottom of the drum. That would include not only the previous contents, but water or any other product that would cause it to exceed the one inch level.
2. All drums with 2" and 3/4" fittings in the head or the drum body itself must have the plugs securely tightened in the flange.
3. All full removable head drums must have the cover and ring in place and the ring must also be securely tightened so as to be a sealed unit.
4. Drums, which previously contained an Extremely Hazardous Material as described by Title 22, may be picked up or received only if they have been triple rinsed at your location and so certified.
5. Each drum must have all labels and/or markings still in place.

The Industry truck drivers and drum receiving yard personnel have been instructed that they are not, under any circumstances, permitted to deviate from these instructions. Should they do so, they would jeopardize their positions with their Company.

It is requested that the foregoing information, particularly the requirements for empty drums returning to a reconditioner, be relayed to your customers that receive your product in drums. Additional copies of this letter are available for your distribution from any member company of the California Reconditioning Industry.

The protection of our environment is of the utmost concern, not only to the DOHS and the legislative body, but is of primary interest to us also. Your cooperation in the implementation of the above guidelines not only is essential but is required and should clearly demonstrate to all concerned that not only are we able to police our own industry but have the capability to do so.

Sincerely,

THE CALIFORNIA DRUM RECONDITIONERS
TASK FORCE